



Don Nickles, Chairman
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NICKLES OPPOSES MEDICARE BILL, WARNS COST IS UNDERESTIMATED AND UNSUSTAINABLE

WASHINGTON—Oklahoma Senator Don Nickles today voted against a bill adding nearly \$400 billion in unfunded liabilities to the Medicare program, warning the costs could ultimately far exceed that estimate without more meaningful reforms. The bill passed 54-44.

“Medicare has serious financial troubles, without adding any additional benefits,” said Nickles, Chairman of the Senate Budget Committee. “I am afraid what we are doing is tantamount to building a new deck on a house with an unstable foundation. I am afraid this program is overpromised, underfunded and unsustainable for future generations. I predict the cost over the next decade will not be \$400 billion, but twice that. We are leaving tough choices to future congresses and future generations.”

Nickles was a member of the House-Senate conference committee charged with developing a compromise between bills passed by the two chambers. He said the bill contained some good provisions, including health savings accounts, as well as reformed payment systems for rural areas, which Nickles said will help Oklahoma.

“I had hoped to be able to support this bill,” Nickles said. “I spent many, many hours in conference meetings and I think was able to make some constructive improvements. But, unfortunately, I still think this program is destined to explode in costs. Prescription drugs have to be affordable for our seniors, but the plan also has to be affordable for our kids. And while we did a lot to provide a new benefit, we didn’t do nearly enough to make sure our children and grandchildren can afford it.”

In addition to cost concerns, Nickles pointed to the fact that the bill does not do enough to engage private markets in the Medicare system thereby providing more comprehensive, integrated health care choices for seniors. He also pointed out that more than half the total cost is used to entice providers not to drop seniors who already have coverage.